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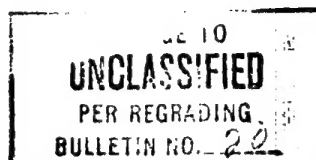
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CPW Report No. 12 - COMMUNIST CHINA

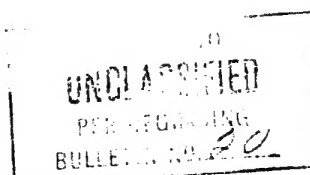
(Mar. 3-9, 1952)

SUMMARY

Though some decline in bulk was apparent, Chinese Communist broadcasts to the Chinese people for the week ending Mar. 9 continued to place heavy stress on the drive to eliminate waste, corruption, and bureaucracy. The 169 broadcast programs monitored from 22 regional transmitters contained 817 separate news items, of which 346, or about 42 percent, were devoted to the drive. This compares with 58 percent in a survey made Feb. 24 and 63 percent Feb. 10.

Efforts to maintain the enthusiasm of the general public still were apparent in special broadcasts of rallies. However, the main concentration in promoting the drive seemed to be among cadres, and among special groups, such as shop clerks and women. The pattern of confessions and accusations at public rallies remained, but practically all the rallies reported were among special groups, and the pressure seemed to be aimed at forcing confessions from persons, mainly businessmen, who already had been accused. The religious fervor noted in early reports of confession and accusation meetings seemed lacking.

There appears to be a sincere desire on the part of Party and Government leaders to culminate the confession phase, and allow the great bulk of cadres and businessmen to get back to normal operations. Stress was placed on promises of lenient treatment, especially for businessmen guilty only of minor corruption, as soon as they would yield to the extent of making complete confessions. It was pointed out that persons guilty only of minor corruption not only would be pardoned, but would not even be required to make good the money taken, or the taxes evaded, if the amounts were small or the violations far enough in the past. One Tsinan broadcast said that with tax evasions not exceeding 500,000 yuan those who confessed would not be required to make refunds, even for 1951 taxes, and would be required to repay only half the amount if it were up to one million yuan. Kunming reported that special



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steps had been taken to "adjudicate cases of corruption among merchants." Wuhan announced that of the 44,500 cases of corruption processed, only 1,500 were of major importance. There seemed to be a desire to have done with the "small fry" and concentrate on the important cases, the "big tigers."

Greater consideration was given to special awards and commendations. A Hangchow broadcast offered commendations to the 1,000 firms which had no corruption, "or only minor cases." Cadres were told that special recognition would be given at the end of the drive to those who had done good work. The Youth Corps presented special awards to individuals. Dairen reported awards to several shop clerks for their "individual efforts" in exposing merchants. This all seems to reflect a desire for more speed in promoting the drive.

Considerable resistance to the anticorruption drive still was apparent, especially among businessmen. Much was said about the capitalists' infiltration of Government organs and corruption of cadres by capitalists. Tsinan reported that in one Government unit it was discovered that 30 percent of the cadres were "plants" by capitalists who still maintained their private business interests. One corrupt merchant was said to have contacts in 18 of the 22 local Government offices. A report from Chungking said that businessmen in that city had "20 kinds of illegal organizations" aimed at undermining State enterprises. An intercepted service message sent in numeral code from Peking to all news offices praised an article by Comrade Hsu Chung-nai: "An estimation of the capitalist attacks as seen by the spiraling prices in Shanghai," which "exposed capitalist attacks upon the Nation and the people." News offices were invited to search for similar illustrations that would "expose the insane attacks of the capitalist class." Yet some broadcasts also continued to insist that the present Government has been especially beneficial to private businessmen. One Kunning broadcast claimed that under the Communists the number of private businessmen in Kunning had grown from 7,972 to 12,516 in 1951 alone, with many firms that had been forced to close under the Kuomintang now prospering.

Some more direct resistance to the anticorruption drive by businessmen was noticed. Threats against clerks, beating of employees to prevent exposure of corruption, and mutual alliances of corrupt businessmen with cadres and employees frequently were mentioned. In several instances it was considered desirable to repeat regulations adopted earlier forbidding businessmen from oppressing workers, holding back wages, firing employees, or closing their shops during the drive. Kunning reported the most widespread resistance, with 56 woodenware merchants closing their shops, 8 oppressing workers, and 40 others refusing full cooperation in the drive. Earlier, hardware merchants in Kunning had been reported uncooperative. Hangchow also reported that merchants were lax, "or even recalcitrant," about paying their 1951 income taxes.

Resistance among cadres and shop clerks seemed more obvious than in the past. In numerous cases cadres and shop clerks were told to "correct their rightist thought," or "overcome their hesitancy," and a growing number of "indoctrination" sessions seemed to be necessary. Meetings were called to "urge backward workers" to accuse employers, and in Tsinan technical workers were accused of having "bourgeois leanings" and a "lack of interest in politics." Hangchow admitted that shop clerks "are tired and are looking forward to the end of the drive." In some instances leading cadres even were represented as considering certain corrupt elements as "able and worthy of emulation." Considerable work still was deemed necessary among senior clerks and accountants to enlist them in the drive.

With concentration now definitely on the "big tigers," the results might be considered somewhat disappointing. Arrests for corruption were reported from all over China, but the number of "big tigers," those whose corruption reached 100 million yuan or more, was smaller than the number of minor cases. Also, corrupt Government officials outnumbered the businessmen cited. Most corruption figures, even for the big tigers, were relatively small, only a few cases going above one

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billion yuan. On the other hand, among Government officials dismissed for corruption were the Publicity Director and several other important Committee members of the Central and South China Military and Administrative Committee.

The most noticeable trend in the anticorruption drive was the obvious attempt to get it back to its original purpose--to prevent waste and stimulate economic production. Several frank admissions that the drive had disrupted the economy were heard, with actual Government losses in one case placed at 50 million yuan, and with one mill operating only at 6 percent of capacity. In several instances large segments of cadres were ordered to drop the anticorruption drive and devote their efforts to bringing production back to normal. Numerous broadcasts claimed that the drive actually had increased production; relatively new claims, but more numerous, were the pledges of future increases "as a contribution" to the anticorruption drive.

Fear of drought in North China and anxiety at the backwardness in preparations for spring farming were reflected in many broadcasts. In several instances new orders were given to rural cadres to give up the anticorruption drive, get spring farming started, and make preparations to fight the drought. New fears of a food shortage were reflected in reports that in some sections of Chekiang Province the "cadres had been complacent" and allowed severe insect damage, amounting to 85 percent of the harvest in one hsien. Shortage of draft oxen also was again mentioned. Land reform still retained a place in regional broadcasts, but reports were limited to two provinces--Kiangsi and Yunnan--in both of which considerable resistance was admitted.

New charges still were being made that Chinese merchants and contractors had undermined efforts of the Chinese Volunteers in Korea, though the new cases reported were not quite as spectacular as the earlier ones and were not given as great a propaganda play. Private contractors were said to have sent spoiled food, improperly repaired vehicles, and fake drugs to the Volunteers, and the Wuhan radio reported the arrest of a Canton businessman who "exported goods to the American imperialists for use in Korea." Attempts to stimulate feeling against these businessmen were apparent in the "protests" broadcast from various groups, though there seemed to be a decline in the intensity of this campaign. There also was a decline in protests at the use of bacteriological warfare by U.N. forces in Korea, but what may have been one aim of this propaganda venture was being achieved. Several broadcasts told of volunteer medical groups departing for the Korean front "to fight bacteriological warfare." The need for medical groups in Korea to cope with epidemics there may have been one phenomenon that inspired the anti-bacteriological-warfare campaign.

International Women's Day, Mar. 8, was used as a means for enlisting women more fully in the anticorruption campaign. Though numerous women's meetings were held throughout China, and practically every broadcast for several days mentioned the occasion, only minor efforts were devoted to publicizing the new marriage law or other gains of women. Most propaganda directed at the women in connection with the celebration seemed to be aimed at making them more active in reporting cases of corruption among their husbands and employers. Noteworthy was the apparently complete absence of any attempt to exploit the progress of women in the USSR, or the desirability of the Chinese women's following the happy example set by their more advanced sisters in Russia.

A report from Kunming revealed that the Kunming Military Control Committee had called for registration of all civil aviation equipment for possible use by the Government "upon demand." So far no similar steps have been noted from any section of China other than the border province of Yunnan, which is adjacent to both Burma and Vietnam.

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(Mar. 3-9, 1952)

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ANTIWASTE, ANTICORRUPTION, ANTIBUREAUCRACY

Promotion of Drive. Old propaganda methods still were being used, and some new ones were adopted in pushing the anticorruption drive. Dairen asserted (Mar. 8) that workers in the Heping office of the Luta Transport Company had greatly reduced their accident rate to promote the drive. Mukden said (Mar. 6) that the Kirin Railway Bureau had promoted a number of cadres so they could take the lead against corruption, with the resulting exposure of several corrupt elements in the Bureau. Yangchow announced (Mar. 5) that the North Kiangsu Austerity Committee had issued a notice to all cadres saying that those who made good records in the drive would be given recognition at the end of the campaign. Nantung reported (Mar. 6) that in the Nantung branch, China Food Workers Union, 64 workers were taking an indoctrination course to promote the drive, and had been organized into 14 teams for active participation. Sian said (Mar. 7) that the Party Committee of the Northwest Railway Bureau, and the Ninghsia Province Party Committee, had called general cadre meetings to push the anticorruption drive during the last part of March.

Wuhan stated (Mar. 3) that an inspection team in the Wuhan Austerity Committee had issued a six-point directive on arranging challenges among groups in order to promote the drive, at the same time stressing "the need to eliminate rightist thoughts and work closely with the masses." Propaganda teams to arouse the masses had been set up by 100 workers in Wuhan steel mills, and with "the elimination of rightist thinking" among cadres in State-operated companies, the drive was making headway. Wuhan announced (Mar. 4) that Inspection Committee Chairman Wang Jen-chung was preparing a report for Chairman Mao, which would show that the Committee had processed 25,000 minor, 18,000 medium, and 1,500 major corruption reports, with punishments ranging from mere warnings to arrest and confiscation of property.

Wuhan asserted (Mar. 7) that workers in one steel mill had promised to promote the drive by saving 100 billion yuan worth of materials in 1952 "by using advanced Soviet methods." Kunming announced (Mar. 3) that the Kunming rally held Mar. 2 would be rebroadcast Mar. 4. Kunming said (Mar. 3) that the Southwest China Youth Corps Committee had issued special commendations to members Wu Lien-sung and Liu Chien-hsing for their "outstanding service" in connection with the anticorruption drive. The same radio reported (Mar. 7) that Yang Kuang-ta, Liu Chi, and Fan Chin-pao, Kunming export-import workers, had been commended by the Austerity Committee.

Confessions and Accusations. Dairen announced (Mar. 3) that the deadline for confessions would end Mar. 4 and would not be extended. Inspection committees and teams would immediately start rounding up persons who had failed to confess, including corrupt elements in the Hsinhai Metal Works, Changchi Metal Works, and Kuanghsia Company, where corruption had "run into hundreds of billions." Dairen stated (Mar. 5) that at a recent rally by the Department of Post and Telegraph, Chang Shen-chi and Chu Ying-pei were arrested because they refused to confess, while cadres Wang Yung-ching and Wang Chung-chien finally made complete confessions and were pardoned. Tsinan announced (Mar. 3) that 26,944 reports of corruption had been obtained, reaching into many other cities. The greatest number of accusations were within the export-import, lumber, and construction trades, with hardware, textile, and food industries following.

Hangchow announced (Mar. 8) that at a Mar. 5 rally in the Chekiang Department of Industry, Sun Yang-seng confessed to corruption and accused cadre Hsu Chu-ling of corruption amounting to 200 million yuan. Chang Chi-hua confessed to selling one billion yuan worth of Government property. Yang Hian-chang of the handicrafts section was arrested for refusing to confess, and Wang Chin of the Chekiang Construction Company was held because of his incomplete confession. Hangchow added (Mar. 4) that at a Chekiang Department of Supplies rally Tai Pao-shan was pardoned because he made a full confession; Wu Yung-chi was pardoned because he confessed and urged others to confess; while Chang Heng-sung was arrested because he refused to confess to embezzlement of 500,000 tan of salt. Hangchow reported (Mar. 6) that with the end of the 10-day extension of the confession deadline Mar. 3 the city Austerity Committee had called a rally to hear confessions by 262 merchants. Those who confessed were immediately pardoned, while the former chief of the Hangchow branch, People's Bank, was arrested for refusal to confess. The Mayor announced a new 3-day extension of the confession deadline.

Wuhsi reported that Communist Party and Youth Corps cadres held a rally Mar. 3 at which Party Secretary Shen I-kuei confessed to bribes and embezzlement totaling 12 million yuan; Kung Shou-ping of the Farmers Association confessed to taking 16 million; and both were pardoned. Chou Cheng of the PEOPLE'S PRESS was accused of an incomplete confession and destroying of the evidence, and was expelled from the Youth Corps. Hankow said (Mar. 6) that Cheng Hung-chou, Wuhan contractor, confessed Feb. 25 to taking 300 million yuan, and was arrested. "He realized the error of not confessing," so on Feb. 28 made a full confession and was pardoned. He had bribed cadres and cheated on materials in constructing city buildings. Kunming reported (Mar. 2) that at a rally in Chu No. 5, Kunming, people made 3,200 accusations against corrupt merchants who illegally transferred 19 airplanes, 20 airplane motors, 7,000 catties of electric wire, 20,000 ounces of gold, 800 ounces of opium, and other items, the total amounting to 5 billion yuan. Kunming announced (Mar. 6) that the Austerity Committee had received 10,750 accusation letters, and had adjudicated 1,251 cases.

Workers Versus Employers. Dairen announced (Mar. 4) that the Hsikuan Chu Youth Corps Committee of Dairen had awarded honors to shop clerks Pien Chi-hsiang, Yu Tso-chang, Lu Heng-chu, Jen Ssu-jen, Wang Chin-liang, and eight others for "their individual efforts in exposing corrupt merchants." Shanghai reported (Mar. 3) that a rally of shop clerks was held, at which the Mayor explained the program for handling cases

of corrupt merchants, including severe punishment for those who refused to confess, and urged the clerks to redouble their efforts. Yangchow asserted (Mar. 5) that "after attending indoctrination meetings" senior clerks were making face-to-face accusations of corrupt merchants. Fang Teh-an, senior clerk in the Huasa Cloth Shop, and Wang Chen-ming, accountant in the Faihshing Cloth Shop, both accused their employers, "even though they were related to them."

Yangchow stated (Mar. 2) that 1,200 workers attended a local rally Mar. 6, at which 2,265 reports of corruption were received and a resolution was adopted to send a message to Chairman Mao. Wuhsi reported (Mar. 3) that at a Wuhsien rally Ho Chi-chuan, a bookkeeper, made accusations against his uncle, while other senior clerks made accusations. "Many clerks who worried about their jobs or who had close ties with their employers have corrected the errors of their thinking," Wuhsi said (Mar. 4) that shop clerks in Changchow were holding propaganda meetings "to indoctrinate the people," with the result that many corrupt merchants had confessed. Wuhsi stated (Mar. 9) that in Nantung 100 tiger-hunting teams had been organized by shop clerks, and by Mar. 5, 5,800 cases of corruption among merchants had been exposed.

Wuhan reported (Mar. 3) that Yen Hua, chairman of the Nanchang Federation of Labor, called a meeting of 17 shop clerks who had "earned merit" in making accusations, praised them for their work, and told them "not to worry about losing their jobs." Canton stated (Mar. 3) that 10,000 Canton shop clerks staged a rally Mar. 2 at which Liu Cheng-ching was accused of bribery and refusal to confess; Yu Chai was accused of evading taxes and defrauding the government; and seven other merchants were accused. They were all ordered held for investigation. Sian asserted (Mar. 9) that shop clerks in Paochi, Tienshui, and Chiuchuan, as well as other Northwest cities, were "strengthening their drive" against corrupt merchants.

Tiger-Hunting Operations. Pairen announced (Mar. 6) that six tigers had been exposed in the Pairen branch, China Food Company, "after a 3-day struggle." All were warned to confess if they hoped for leniency. Kao Feng-chi and Chang Kuo-ching at first refused, then made full confessions and were released. Chinchow asserted (Mar. 8) that on Feb. 15, 15 tigers had been captured in the Chinchow Oil Works, and accused of corruption amounting to 1.2 billion yuan. With this success, "the workers are now increasing production." Tsinan reported (Mar. 5) that the Tsingtao mayor issued a directive at the start of the second stage of the tiger hunt, in which he urged cadres to "sever all ties with corrupt capitalists and eliminate all rightist thinking." In an effort at reform within its own ranks, the Tsinan Public Safety Bureau "called upon the masses to report all cases of corrupt police." Three police officers had been arrested following receipt of 2,000 letters. Huainan said (Mar. 9) that in the Chihlungkang Power Station, Huainan Railway Bureau, cadres had captured several tigers "after indoctrination and correction of rightist leanings."

Yangchow reported (Mar. 4) that cadres in the North Kiangsu branch, China General Merchandise Company, had "signed pacts to gain merit by capturing tigers." Yangchow added (Mar. 6) that in a number of State organizations, including the North Kiangsu Department Store, the Native Products Company, the Postal Administration, and the People's Bank, meetings had been held "to discuss coordination of business operations with tiger hunting." Wuhsi declared (Mar. 4) that "even though tigers hide in high mountains and deep forests," cadres in southern Kiangsu had organized special teams to find them.

Nantung announced (Mar. 6) that the city Austerity Committee had called a meeting to discuss the "third campaign against tigers." Government representatives had formed a tiger-hunting headquarters, with several teams organized. Wuhan reported (Mar. 3) that 4,000 workers in 78 local State enterprises had captured 170 tigers. Sian announced that in Chiuchuan, Kansu, tiger-hunting teams had been organized, and Wang Yu-cheng was arrested when he refused to confess.

Nanchang reported (Mar. 3) that cadres in Kiangsi had organized hunting teams, and were mapping plans for attack after "wiping out all rightist thought." They were reminded that small tigers will be pardoned after confession, but big tigers "who refuse to confess must be exposed and arrested." Nanchang stated (Mar. 4) that in Changtzu village of Nanchang, 52 tigers already had been captured by the workers, and at a rally Mar. 2 Hu Yu-ming and nine other tiger hunters were "cited for their excellent work." In Shanghai 32 tigers had been caught by Feb. 27, and leads were being followed up on 62 more. Yu Hai-tang accused his father, Yu Tzu-yang, of evading taxes; Hsu Fang-chi accused his father, Hsu Yung-hua, of defrauding the Government; Hsu Chung-chien urged her husband, Kao Chung-ling, to confess and expose others, "in spite of his mutual alliances" with corrupt elements; and Yen Chu-ming accused her husband of corruption. Nanchang said (Mar. 7) that the Kanchou Postal Telegraph Broadcasting Station held an anticorruption rally, with the city's entire 20,000 persons hearing the program over seven loudspeakers. Mayor Chu claimed that the corrupt merchants had cost the city 20 billion yuan, and announced that 600 persons had been organized into tiger-hunting teams to find the corrupt elements.

Lenient Treatment. Tsinan announced (Mar. 8) that the city Austerity Committee had made public a definite schedule for treatment of the 2,633 corrupt business firms among the 4,252 investigated. If the corruption amounted to 500,000 yuan or less, there was to be no punishment. If the amount was not more than one million, punishment would be "in accordance with the gravity of the crime and the attitude on confession." On tax evasions no punitive action would be taken on evasions prior to 1951, and none for evasions in 1951 and 1952 on amounts under 500,000 yuan. If the evasions totaled between 500,000 and one million, half the amount must be repaid.

The Austerity Committee received many thanks "for its lenient attitude toward law-breaking merchants." Hangchow announced (Mar. 5) that the local Austerity Committee had made clear a policy of leniency toward corrupt merchants who had confessed, "so they can get back to production." The Committee also cited the Chinchu and Sanhsing towel factories for their freedom from corruption. Hangchow stated (Mar. 9) that the Austerity Committee extended its commendation to 1,100 firms which had no corruption or only minor cases. Ma Ta-hsiang was well treated because he sincerely confessed to tax evasion, and the owner of the Jentan Shop was pardoned because he made 15 accusations against corrupt elements in his own trade.

Huainan reported (Mar. 7) that at a rally Mar. 3 Chang Ming-shan, Huainan Mine Hospital employee who had sold hospital drugs and supplies, was pardoned because he made a full confession. However, Tang Cheng-chi was held for investigation because he did not make a full confession "and did not expose others." Sian said (Mar. 3) that the Sian Austerity Committee exposed 38 cases of corruption in 11 firms, and then revealed terms for lenient treatment following full confession which induced many merchants to confess.

For their convenience the Committee set up a special office in the Chu No. 5 precinct police station. Wang Yu-chien confessed to evasion of 80 million yuan in taxes and the making of hundreds of millions of yuan in excess profits. Kunming reported (Mar. 5) that the local Austerity Committee had taken special steps to adjudicate cases of corruption among merchants. The businessmen had been divided into three groups, with punishment for each class outlined, and lenient treatment promised following complete confessions.

RESISTANCE TO DRIVE

Capitalist Infiltration. There still were frequent charges that private businessmen had infiltrated into State organizations, planting cadres or corrupting those already there, to defraud the Government and to destroy the effectiveness of the anticorruption campaign. Chinchow asserted (Mar. 8) that organized rings of corrupt merchants in the State-controlled cloth industry alone of that area had robbed the Government of 11.23 billion yuan in processing contracts. Tsinan asserted (Mar. 8) that agents of the capitalists had infiltrated into all State organs, and that in the Shantung Construction Company it was discovered that 30 percent of the cadres

were former merchants who had maintained their former connections to defraud the Government and disrupt the anticorruption drive.

Hangchow reported (Mar. 3) that six corruption rings had been exposed in the Chekiang Lumber Company, and eight auto parts dealers were found employed in the repair shops of the Chekiang Transport Company. Hobei stated (Mar. 3) that Pei Chiao-shan had infiltrated into the Tungling branch, China Food Company, to undermine the drive, and that similar instances had been revealed in numerous State enterprises of several cities.

Wuhsi claimed (Mar. 3) that confessions by cadres in the Chenchiang Tax Bureau, Kiangsu, had exposed a ring of merchants organized to bribe cadres. Wuhsi reported (Mar. 5) that Tsao Hua-ting, woman proprietor of the Huating Bookshop, South Street, Changchow, had connections with buyers in 18 of the 22 Government offices, and had regularly paid them a 20 percent kickback, in addition to winning and dining them and borrowing Government funds from them for speculation. She formed mutual alliances with corrupt cadres, and refused to confess even when exposed by them. Kunming complained (Mar. 5) that local businessmen had made a "powerful attack" against State enterprises, in spite of the "great upsurge" of private business following the Liberation. Under the Kuomintang many small Kunming firms were forced to close, but had recovered under the new regime, and had increased from 7,972 to 12,516 during 1951 alone. Yet losses to the State Import-Export Company and Cotton and Textile Company in 1951, caused by infiltration of corrupt businessmen, was 20 billion yuan. One cadre in the Cotton and Textile Company, Ling Kan-ching, confessed to taking 160 million yuan in bribes, with a resulting loss to the Government of 17.3 billion. Kunming asserted (Mar. 7) that in Chaotung Hsien, Yunnan, capitalist elements had penetrated into all parts of the Department of Trade and Transportation. "These merchants turned cadres" had defrauded the Government and made huge profits through speculating with Government funds, as well as obstructing the anticorruption drive. A leader of the ring, cadre Yang Yu-hua, who cost the Government 140 million yuan in losses, had been arrested.

Peking broadcast in numeral code (Mar. 7) a report from Chungking quoting Mayor Tsao Ti-chiu in telling of the capitalists' "organized attacks on the working class, the Communist Party, and State organizations." Mayor Tsao claimed there were "30 kinds of illegal organizations" aimed at undermining State enterprises in Chungking, and described in some detail the "Monday gathering," in the library and educational supplies industry; the "Tuesday gathering," aimed at the Salt Bureau; the "Wednesday gathering" and the "Friday dinner gathering," organized for infiltration into the iron and steel industry; the "New Friday dinner gathering," attacking the Southwest Bureau of Railways; the "vessel manufacturing team," aimed at the Bureau of Navigation; the "accounting symposium," organized to evade taxes; and the "Sunday dinner meeting," which planned infiltration into the liquid fuel industry.

Obstructionist Tactics. Tsinan reported (Mar. 4) that a mutual alliance finally had been broken in the Tsingtao branch, People's Bank, with confessions by some of the corrupt ring who had connived with merchants to use the bank funds for speculation. Bank officers Wang Pi-wen, Yu Kuo-hua, and Chang Fu-jen were involved. Shanghai announced (Mar. 3) that the Nanking Austerity Committee had ordered the arrest of merchants Yang Ping-shan and Li Tsu-hsiang for obstructing the anticorruption drive by beating up their clerks who exposed them. Hangchow announced (Mar. 3) the arrest of Yang Hiao-seng, owner of the Hingta Cloth Shop, and Nieh Tung-tai, owner of the Tahua Cloth Shop, both of Wenchow. Nieh fired his clerks or stopped their food when they accused him. Hantung reported (Mar. 6) that with the confession of several workers, Yeh Hung-chao had been charged with forming mutual alliances.

Wuhan stated (Mar. 3) that merchant Li Yen-ping had been arrested for defrauding the Government and exploiting his workers until they became sick. Wuhan announced (Mar. 4) regulations prohibiting merchants from oppressing their workers or closing their shops during the anticorruption drive. Wuhan said (Mar. 5) that 21 corrupt capitalists in Ocheng Hsien, Hobei, had been arrested for charging high prices and opposing establishment of a branch of the China Department Store. Canton announced

(Mar. 5) that Canton workers had organized an inspection committee to report on merchants who oppressed clerks in an effort to obstruct the drive. In Chanchiang, Kwangtung, merchant Yang Jih-chin had been arrested on charges of corruption and beating up his clerks to obstruct the anticorruption drive. Canton reported (Mar. 6) that Chang Chieng had been sentenced to 2 years in prison for exporting gold, beating up his clerks, and refusing to confess. Merchants Liu Hua-ching, Liu Ping-chi, and Yeh Han-yuen had been charged with corruption and obstructing the drive.

Sian announced (Mar. 5) that the mayor of Sian had exposed merchants Jen Pao-chu and Tai Wei-hsin for stopping food supplies to their workers during the anticorruption campaign. Clerks Union Secretary Ma Jen-shan charged that there were 210 such cases in the city. Kunming announced (Mar. 3) that Yeh Chien-chung, head of the Kunming Interurban Trade Committee, had been arrested by the Militia Feb. 26 when he attempted to flee. He was charged with helping counterrevolutionaries, taking bribes, and obstructing the anticorruption drive. Kunming stated (Mar. 4) that Han Chia-ping, Labor Bureau deputy secretary, had declared that the anticorruption drive offered corrupt merchants a chance to reform, and if they did not do so they would have to be arrested. He cited the following cases of obstruction of the drive and violation of regulations in regard to the drive: 56 woodenware merchants illegally closed their shops; 6 refused to pay wages; 2 refused to furnish food to workers; and 40 did not maintain full staffs or full work schedules. Yu Chi-ta, chairman of the Woodenware Trade Association, was arrested for firing his workers and refusing to pay them, and merchants who closed their shops were given 2 days to resume full operations. Kunming said (Mar. 5) that the managers of the Tungfu Department Store had been accused of threatening their clerks and of refusing to confess to corruption of cadres.

Negative Resistance. Considerable evidence of less positive resistance to the anticorruption drive was apparent, especially among cadres and shop clerks. Dairen charged (Mar. 5) that in the Dairen Ice Company the drive made no progress because the leading cadres formed mutual alliances, suppressed accusations, and said no corruption existed. Tang Ting-ling and Li Mao-kuei of the Austerity Committee were arrested and held for trial. Tsinan reported (Mar. 9) that the Tsingtao Federation of Labor called a rally Mar. 5 to "urge backward workers" to accuse merchants. The Shantung Austerity Committee called a meeting of technical workers Mar. 7 and charged them with "bourgeois leanings" as portrayed in their "lack of interest in politics, aloofness from the masses, overweening pride of their knowledge, intense selfishness, and lack of consideration for the public good," and pointed out that the present drive offered them an excellent chance to reform their thoughts.

Hangchow said (Mar. 3) that shop clerks in Shangcheng Chu had made more than 5,000 reports of corruption, but "because of the laxity of the cadres" they had now slowed down, "and frankly state that they are tired and are looking forward to the end of the drive." Hangchow reported (Mar. 4) that Jen Tai-shang, head of the Hangchow branch, China Edible Oil Company, had been arrested, and his cadres charged with "strong rightist tendencies and bureaucratic refusal to acknowledge the presence of corruption." Leading cadres were said even to have pointed to corrupt elements and described them as "able and worthy of emulation." The CHECHIANG JIH PAO and the TANGTAI JIH PAO called a symposium Mar. 2 of active senior clerks and urged them "fearlessly to attack capitalists in order to gain merit in the eyes of the people." Hangchow announced (Mar. 7) that the local Party Committee had called a meeting of cadres Mar. 6 and "accused them of having rightist thoughts."

Yangchow reported (Mar. 3) that Nantung shop clerks, after reporting 5,200 cases of corruption, were holding rallies to "urge senior clerks to join them" in exposing corrupt merchants. Yangchow said (Mar. 5) that the North Kiangsu Austerity Committee had ordered cadres in the Yencheng Special District to "correct their rightist thinking and promote" the drive, pointing out that two-thirds of the cadres had not joined the tiger hunt, and that the drive had made no progress. Yangchow stated (Mar. 7) that in the North Kiangsu Public Security Bureau, the chief of the Bureau, Teng Yu-ho, had taken personal charge to "arouse the cadres to overcome their

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complacency." Mantung reported (Mar. 9) that in Mantung senior clerks were urged to "overcome their hesitancy," and accuse corrupt merchants, even though the merchants were their relatives or business associates. With "elimination of their rightist thinking," many senior clerks had become active. Wang Yu-ching and Wang Pa-ching exposed their employers, who had obstructed the drive.

Wuhan said (Mar. 4) that the Hankow Federation of Labor had called a rally and urged cadres to "change their thinking and fearlessly attack capitalists." Kumin asserted (Mar. 9) that senior clerks in the city now were making accusations against merchants, following indoctrination they received at a rally Mar. 8, when they were urged to "support the drive by overcoming their hesitancy."

Hangchow announced (Mar. 5) that local merchants were "lax and even recalcitrant" in paying their 1961 income taxes, though the Tax Bureau had issued notices for payment in December.

CASES OF CORRUPTION

Big Tigers. Pairen reported (Mar. 7) that Kao Fang-chiu, Liu Ho-chang, and Chung Hsi-yuen of the Dairen Tax Bureau had been exposed for corruption. Kao caused the Government to lose 450 million yuan; Liu connived with merchants to speculate with Government funds; and Chung speculated and caused the Government to lose 400 million yuan. Shanghai announced (Mar. 5) that Yu Hsin-chuan and Wu Kuo-heng, salt merchants of Foochow, had been held for trial on charges of illegally dealing in salt and of evading taxes amounting to 3.7 billion yuan. Hangchow stated (Mar. 4) that Ren Te-sheng, Party member and deputy director of the personnel section, Chekiang Department of Industries, had been removed for corruption when a merchant confessed to making an illegal profit of 1.5 billion yuan through his assistance. Hefei announced (Mar. 3) that the Government had ordered the arrest of Wang Cheng-shi and Chang Yung-ching, leather merchants who became owners of a huge factory through 8 years of supplying the People's Liberation Army with substandard belts, bags, and shoes, and who utilized their Army contacts to ship goods all over China for illegal gains. They were charged with defrauding the Government of 4 billion yuan of Army contracts, and of evading 1.5 billion yuan worth of taxes. Hefei added (Mar. 3) that Yen Ching-lao, South Anhwei State Farm cadre, had been arrested for selling 100 million yuan worth of Government property.

Wuhsi announced (Mar. 4) that in Chenchiang City, Kiangsu, Chang Hsueh-kuen, a contractor who built his 7-million-yuan business into a 5-billion concern by cheating the Government, had been arrested. His Chunghua Company robbed the Government of 200 million yuan in building a grain warehouse. Also arrested after refusal to confess were contractors Wu Shan-liang and Chai Ping-chi. The same radio said (Mar. 5) that merchant Hsu Chien-gung had been arrested for using State economic information to speculate and rob the Government of hundreds of millions of yuan. Wuhsi added (Mar. 6) that lumber merchant Yu Meng-jen of Changchou had been accused of making 2 billion yuan on lumber contracts while ships were being built for the Chushan Island campaign in November 1949. Wuhsi reported (Mar. 6) that Changchou merchants Hsi Chung-ching and Chou Yu-seng had defrauded the Government of 100 million yuan in gunny sack contracts by selling inferior sacks, bribing cadres, and evading taxes. Wuhsi stated (Mar. 8) that another Changchou merchant, Yu Mac-yu, had made illegal profits of 170 million yuan by selling rotten lumber to the South Kiangsu Conservancy Bureau for construction of sea walls at Harwei and Paoshan. In Wuhsi, Lung Pan-huang, manager, Liu Cheng-chun, secretary, and Chen Hsiao-chuan, accountant, of the Wuhsi branch of the People's Bank, were arrested for dealing in black market gold, using inside information in speculating, and holding up agricultural loans, thus robbing the Government of 800 million yuan. Wuhsi reported (Mar. 9) that Chang Feng-hsiang and Chen Kuo-seng, owners of the Kaiyuen Machine Shop, Wuhsi, defrauded the Government on a contract for 24 15-ton truck frames, causing a loss of 200 million yuan.

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Foochow announced (Mar. 9) that in Amoy the proprietors of the Liuan, Linpan, Kiangang, and five other firms, had been arrested on charges of defrauding the Government of 1.4 billion yuan on food processing contracts. Nanchang reported (Mar. 3) that in the Yuanchow Special District, Kiangsi, the Austerity Committee had ordered the arrest of leading cadres in the Cooperative and Grain offices, including Chiao Chung-te, Chi Jih-ju, Tung Yen, Wang Yuan-chiu, Wang Chun-hsiao, and Chan Shu-kuang, on charges of embezzling 8 billion yuan. Nanchang said (Mar. 5) that merchants Chang Hsueh-ming and Yu Wen-yuan, Nanchang, had been accused of evading 100 million yuan each in taxes. Nanchang stated (Mar. 8) that Chen Chien-shu, accountant in the Nanhsin Silk Shop, Kanchow, Kiangsi, had connived with corrupt merchants to evade 300 million yuan in taxes.

Wuhan reported (Mar. 5) that contractors Chen Yu-shou, Lu Hai-seng, Ho Liang-mo, and Chao Shou-feng used low-grade materials in building dams and retaining walls on the Huai River Conservancy Project in 1950, with the result that the constructions already had deteriorated badly. Loss to the Government was estimated at 9.5 million yuan. Kunming announced (Mar. 4) that Su Chin, Kuchiu Farmers Association secretary, Yunnan, had been arrested as leader of a corruption ring which embezzled one billion yuan from the organization. Chang Ssu-wen, Loping Hsien Cooperative official, was arrested for conniving with corrupt merchants to defraud the Government of 200 million yuan. In 1951 he bought salt at Government prices and later sold it at high prices.

Businessmen. Dairen announced (Mar. 3) that Wang Ke-heng, who stole drugs after the Liberation and organized the Fuhsing Drug Company, had been arrested for selling fake drugs. Altogether 168 complaints had been filed against him, and he was said to have caused 12 deaths. Dairen said (Mar. 6) that Liu Hai-chen and Chen Hai-feng, managers of the Chienhua Iron Works, had been charged with corrupting cadres and defrauding the Government on contracts. Tsinan reported (Mar. 3) the arrest of Weifang Hsien, Shantung, of Lu Ying-ling, merchant, and Communist cadre Wang Liang-shan, his accomplice, for corrupting cadres, stealing Government property, and oppressing workers. As Government buying agent, Lu so exploited the tobacco farmers that he "caused dissatisfaction against the Government among the farmers." He also cut daily wages from 6,000 to 1,000 yuan last year, forcing workers to commit suicide. Tientsin said (Mar. 6) that coal merchant Liu I-ming had been arrested for cheating on coal weights and mixing rocks with the coal.

According to Shanghai (Mar. 3) Wang Tsu-chien and Wang Tsu-nan, Foochow drug merchants, were arrested for selling fake drugs to treat diphtheria. Shanghai said (Mar. 4) that Hofei merchant Wang Hung-seng had been arrested for taking Government property during the fighting in Hofei, and exploiting the refugees by selling them bad food. Hangchow reported (Mar. 4) that cement merchant Chang Mo-i, Yinhhsien, had been arrested for defrauding the Government on 400 bags of cement in national defense construction along the coast. He paid 37,000 yuan a bag and charged 270,000. Hangchow asserted (Mar. 7) that Chekiang businessmen continued to adulterate their goods, despite pure food laws. The Sanhsing Flour Mills put two pounds of lard in each tan of rice it processed for the Grain Bureau; the Yuhua Shop used lime and other improper ingredients in making Weiseng soy sauce; the Yushan Salt Shop, Shanghai, sold salt sweepings as first-grade salt, and used lime with the salt to "improve the color"; and the Hangchow Joint Wood Sales Office adulterated wood, and took 10 cattles out of each bundle by hollowing the logs.

Yangchow announced (Mar. 9) that Nantung merchants had confessed to 11 billion yuan of tax evasions in the past 3 years. Nanchang reported (Mar. 3) that merchant Wu Chung-kan denied six times that he was guilty of any further corruption. With each denial he was returned to jail until he was ready to confess more, and finally raised the total of his corruption from the original 600,000 yuan to 13 million. Nanchang stated (Mar. 5) that merchant Chou Fu-seng of Ningtu, Kiangsi, had been charged with evading taxes and corrupting cadres; Lo Shou-chin and Hsu Feng-li also were arrested for evading taxes. Sian reported that four local owners of printing plants, including Liu Hai-chin, were arrested for defrauding the Government on printing contracts, after their refusal to confess and exposure by cadres they had bribed.

Wuhan asserted (Mar. 3) that after the arrest of hardware merchant Liu I-po, the workers' committee which took over his business was able to reduce prices from 10 to 40 percent. Canton reported (Mar. 6) that the Canton Branch of the National Medical Association, the Medical Workers Union, and the Canton Drug Dealers Association, had charged the Teta Drug Company with selling false drugs. Chungking announced (Mar. 3) that 100,000 cases of corruption had been reported in the city by Feb. 19, and that Chungking merchants evaded 150 billion yuan worth of taxes from January to October 1951. Ku Yu-chai, Ipin Hsien, Szechwan, grain merchant, was arrested for stealing grain in connection with Government processing contracts. Chungking said (Mar. 6) that the Chungking Austerity Committee had processed 164,211 accusations against local businessmen, and found corruption involving 690 billion yuan. Major cases numbered 534, with one firm in Chu Ho. 5 taking 16 billion yuan. The salt trade was especially corrupt, as it was controlled by four dealers, who bribed cadres and manipulated prices.

Government Officials. Hangchow reported (Mar. 3) that in Hangchow City office tigers captured included four agents of capitalists in the Cooperative office and a corruption ring in the Civil Affairs Bureau that had embezzled more than 5 billion yuan of public contributions. The radio added (Mar. 6) that the Austerity Committee had called a rally to adjudicate corruption cases, while the Party Committee had announced expulsion from the Party of Tsao Hsin-ping, Police Department; Chien Ssu-fang, Land Department; Chang Kuo-tung, Hangchow Hospital chief; Chan Hsiang-lwa, city Department Store chief; and Yu Wen-shan, medical officer of the Police Hospital. Hangchow said (Mar. 5) that Chang Tzu-chien, deputy director, Taichow Special District, had been removed for corruption and failure to promote the anticorruption drive. He introduced 25 corrupt elements into his office, and used public funds to build his own house. Hangchow stated (Mar. 7) that Deputy Mayor Chen Hui of Nanchow, Kiangsu, concurrently vice chairman of the Provincial People's Consultative Council, had been expelled from the Party and held for trial on charges of taking the side of the capitalists in a strike at the Yenlua Factory; of squandering 1 million yuan in Shanghai with Cheng Wen-shu, owner of Yenlua; of bringing people of doubtful background into the Government; and of thrice seducing a woman colleague before sending her away.

According to Hefei (Mar. 4) Youth Corps cadre Lin Chi-mei, southern Anhwei branch, China Food Company, was arrested for embezzling food and accepting bribes. Nanchang reported (Mar. 7) that, following "additional indoctrination for rightist cadres," their accusations had resulted in the removal of Huainan Collieries cadres Wang Tung-yuen, Cheng Tao-jen, Yang Pao-hua, and Wang Kuo-jen. Chao Wen-ping, corrupt cadre, was arrested when he refused to confess, even when faced with facts collected by tiger-hunting teams. Nanchang stated (Mar. 3) that cadres in the Tunghsiang, Kiangsi, granary had been charged with wasting Government assets by leaving 3,000 catties of grain to rot in the warehouse and later dumping it in a swamp. Nanchang said (Mar. 4) that in city offices 12 tigers had been caught in the Department of Trade; 18 in the Highway Administration; and 5 in the People's Court. Nanchang reported (Mar. 5) that Kuo Chin-yu, Changshu, had connived with salt merchants to rob the Government of tax money, and had illegally dealt in salt. Cadre Wang Chin-shan connived with him to forge salt bills to embezzle Government property. Li Ke-cheng, truck driver with the Shangjao branch, State Trucking Company, sold Government property worth 32 million yuan. When he made a complete confession he was pardoned and allowed to remain at his job.

Wuhsi announced that Yang Chu-ming and Chang Yung, cadres in the Chenchiang, Kiangsu, Water and Power Bureau, had been expelled from the Party and arrested. Yang took public funds to lend at a high rate of interest, and connived with merchants to defraud the Government; Chang made 76 million yuan by conniving with merchants to evade 280 million in taxes. Wuhsi added (Mar. 6) that cadre Wang Hung-te had been charged with cheating on labor and materials in constructing college buildings at Chenchiang Medical College. He gave Chao Chen, college administrator cadre, 20 million yuan to assist him and form a mutual alliance. Cadre Yeh Shan of the Changchou Lumber Company was arrested for conniving with corrupt lumber merchant

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Yen Hai-po to defraud the Government by dealing in rotten lumber and using secret economic information for speculation. Wuhsi said (Mar. 7) that cadres Li Ling-san, Tung Wen-i, and Tsao Chin-ju had been arrested in Wuhsien for corruption in connection with Government contracts. Wuhsi stated (Mar. 8) that a corrupt ring including cadres Pao Ying, Chu Wei-ko, Hsu Yung-chi, and Hsieh Shou-uen had been broken up. The ring gave false drugs to sick people, cut their food allowances, stole medical supplies, and embezzled Resist-America, Aid-Korea donations.

Kunming announced (Mar. 3) that cadres in the inspection office of the Kunming Tax Bureau had caused the Government huge losses for 2 years through assisting corrupt merchants, often relatives, in evading taxes. Regular meetings for that purpose were held. Peking reported in numeral code (Mar. 7) that the Government Administrative Council had announced the removal from office "for breaking the law and being derelict in duty" of the following: Fu Sheng-kuan, Central and South China Publicity Director and member of the Central and South China Military and Administrative Committee; Chien I-min, Deputy Publicity Director and member of the Central and South China Legal Committee; Wang Sheng-jun, Deputy Director of the Central and South China Industrial Department and Director of the Nonferrous Metals Bureau; and Chou Chi-fang, Deputy Director of the Central and South China Civil Affairs Department.

ECONOMIC WEAKNESSES

Losses from Anticorruption Drive. Chinchow reported (Mar. 3) that "because of its failure to coordinate the antiwaste, anticorruption, antibureaucracy drive and the production drive," the No. 5 Cement Factory of Liaosi Province failed to fulfill its quotas and had 19 accidents. After 13 cadres took over the leadership and "increased the consciousness of the workers on the importance of National production," the factory had begun to fulfill its quotas. Tsinan announced (Mar. 6) that the Shantung Federation of Cooperatives called a meeting Mar. 1 of all cadres "to allocate cadres from the antiwaste, anticorruption, antibureaucracy drive to the production drive." An inspection team of 40 cadres was chosen to check on production and to "adjudicate all disputes on the spot."

Shanghai stated (Mar. 3) that the Trade Department of the East China Military and Administrative Committee had issued a directive calling upon all companies and offices to organize special committees to "promote business operations" along with the anticorruption drive. Various State companies were ordered to "designate active cadres to order, process, and push the sale of goods at reasonable prices." Shanghai said (Mar. 6) that the Yangchow branch, China Food Company, was improving its operations by "carrying on regular business activities during the forenoon and conducting tiger hunts in the afternoon."

Hangchow reported (Mar. 5) that the Chekiang Finance Department called a meeting to discuss normal operations and the anticorruption drive. It was decided that one-third of all cadres should confine their attention to normal operations, "and positions vacated by corrupt cadres must be filled at once." Cadres also were ordered to assume normal lines of command which were disrupted during the anticorruption drive. Yangchow admitted (Mar. 5) that "as a result of the cadres focusing their attention" upon the drive, the Huachiao Store of the China Food Company in Yangchow was closed for a week, causing rice prices to rise 10 percent. Because of the drive the Yangchow Flour Mills of the China Food Company produced only 6 percent of its capacity, causing a loss of 50 million yuan. Cadres were ordered not to let the anticorruption drive interfere with normal business operations. Yangchow announced (Mar. 9) that 30 percent of the cadres in the northern Kiangsu cooperatives had been allocated to "operating teams, to push normal business" while the tiger hunts were in progress.

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Wuhan announced (Mar. 3) that the Central and South China Department of Industry had issued a directive on "strengthening operation of State-owned companies by assigning special personnel," to prevent breakdowns. The Honan Branch of the China General Merchandise Company reported that, "as a result of the antiwaste, anticorruption, antibureaucracy drive" it had suffered "huge operational losses." Therefore, it would be necessary "for all clerks to get back to business." Wuhan said (Mar. 4) that the Hupoh Department of Finance and Economics had called a meeting of cadres Mar. 2 to promote trade throughout its organizations, "as the antiwaste, anticorruption, antibureaucracy drive had disrupted activities."

Claims of Success. Some broadcasts apparently attempted to deny that the anticorruption drive had disrupted normal operations, and made claims of higher production during the campaign. Mukden asserted (Mar. 3) that "in order to promote" the anticorruption drive, the Fushun Machine Repair Factory, the Peipiao Mining Bureau, and the Mukden Chemical Factory "overfulfilled their February norms and cut down the number of factory accidents. Mukden added (Mar. 6) that railway workers in Chichihar, Kirin, and Mukden stations overfulfilled their loading quotas "to promote the antiwaste, anticorruption, antibureaucracy drive." Chinchow declared that factories in Liaosi Province improved their production and overfulfilled their quotas "to promote" the drive.

Tsinan asserted (Mar. 4) that workers in State and private enterprises in Tsingtao "have decided to promote" the drive by increasing production and reducing waste. Tsinan said (Mar. 8) that workers in the Pohai Alcohol Works, Shantung, had "greatly increased their production in order to promote" the anticorruption drive. According to Shanghai (Mar. 4) textile mills in Shanghai and flour mills in Chenchiang were increasing production to promote the drive. Shanghai declared (Mar. 6) that the Shanghai Railway Administration was promoting the drive by "increasing the productivity of its regular operations." Hangchow stated (Mar. 5) that the Hangchow Railway Administration had reported a great increase in traffic and a "decrease in the number of cars" as a result of the "successes of the antiwaste, anticorruption, antibureaucracy drive," with workers making 210 proposals to eliminate bureaucracy and prevent waste. Hangchow added (Mar. 9) that workers in the Hsiaoshan Hsien Equipment Factory, Chekiang, had greatly increased their production.

Wuhsi announced (Mar. 3) that workers in the Wuhsi flour mills had set up a program to increase production "while the tiger hunt still is in progress." Hanchang declared (Mar. 3) that peasants in Chian Hsien, Kiangsi, had delivered 10,000 catties of grain without loss "to promote the antiwaste, anticorruption, antibureaucracy drive and expose the wastefulness of corrupt merchants." According to Wuhan (Mar. 9) shop clerks in Wuhan had organized a propaganda corps to promote tiger hunting, while workers in the Kiangnan Railway Shops were promoting the drive "by increasing production. Peking asserted in numeral code (Mar. 5) that in the State-owned Kalgan Tobacco Factory the workers had set new production records, and "in their leisure hours" participated in tiger hunting. Workers Chang Wen-fa and Han Yung-hung uncovered the hidden spoils of "big grafter" Hu Chun, former head of the materials section of a privately-owned tailor shop. Kunming said (Mar. 6) that workers in the Kunming electrical trades were promoting the drive "by increasing production while they are hunting tigers."

Agricultural Problems. Fear of drought and a food shortage in the North and Northeast still was reflected in a large number of broadcasts. Reports of the setting up of drought-prevention offices were carried in broadcasts from most stations in those areas. Hangchow reported (Mar. 5) that the Chechiang Federation of Cooperatives, Chekiang Province, had withdrawn 60 cadres from the anticorruption drive to implement the fertilizer supply program for spring farming. Shanghai announced (Mar. 9) that the East China Military and Administrative Committee had issued a directive suspending the anticorruption drive at the hsien level "in order that cadres can devote their attention to promoting the spring farming production program."

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Chinchow reported (Mar. 3) that the Liaoni Party Committee issued a directive on the importance of cadre leadership in spring farm production "as a vital part of the antiwaste, anticorruption, antibureaucracy drive." Hofei reported (Mar. 3) that an inspection by rural cadres in Hsuancheng Hsien, Anhwei, showed that irrigation systems there were in a bad state of repair, and "farmers were not going ahead with the spring planting." Local cadres were charged with bureaucracy, and Liu Shu-fang and other cadres removed.

Hangchow admitted (Mar. 3) that "because of the complacency of rural cadres," the pest-control program in the Ningpo Special District, Chekiang, had "made little headway." In Tauchi Hsien insects took 85 percent of the harvests, while losses in the entire district amounted to 8 percent of the early crop; 20 percent of the second; and 18.4 percent of the late crop. To correct this condition, cadres had been sent to the rural areas to lead the farmers in pest control. Hangchow announced (Mar. 4) that farmers were taking out insurance on their oxen to protect themselves, as 10 died in a single day, Feb. 23, in the Ningpo Special District, and 10 in Fenghua Hsien. Hangchow reported (Mar. 9) that cadres engaged in afforestation work in the Yinhsien area, Chekiang, were instructed to correct abuses, as lumber dealers in Yinhsien had been conniving with peasants to cut pine trees.

Chungking said (Mar. 5) that rural cadres in Kaiyang and Suifuang Hsien, Szechwan, had been ordered to "desist from forced organization" of production mutual-aid teams, as this was "contrary to political principles and destructive of production enthusiasm." Cadres in this area had taken it upon themselves to organize farmers associations into 58 teams "against the will of the peasants."

LAND REFORM

Hanchang announced (Mar. 4) that land reform cadres in Kueichi Hsien, Kiangsi, called a meeting of village cooperative members to "expose the corruption of reactionary landlords." Farmer Wang Hung-yen accused landlord Li Shou-cheng of "oppressing him during a drought." Hanchang added (Mar. 7) that peasants in Shengli Hsiang, Chian Hsien, were afraid to report to the land reform cadres that they had hidden goods for the landlords, "but after reindoctrination" 17 peasants stood up in a public meeting to expose the corruption of the landlords who had been threatening them, reporting the location of 45 boxes of goods, 2 ounces of gold, and much furniture. Land reform was completed in Paishui Hsiang, Taiho Hsien, in 1950, "but cadres and peasants had been so lax that the landlords had regained their former power," and the peasants now were demanding stronger measures of control. Cadre Tai Ching-chou was poisoned by landlords because of his attacks on them.

Chungking reported (Mar. 3) that land reform had begun in 38 hsiang in Anning Hsien, Yunnan, while landlords had been arrested and their property confiscated in Kunyang Hsien. However, in the more backward areas of Yunnan, "landlords still are obstructing the program." Kunming asserted (Mar. 2) that in the Chaotung Special District, Yunnan, land reform met with strong opposition from the landlords at first, but "with the increase in political consciousness of the peasants after indoctrination by the cadres," the farmers overcame the landlords and were successfully carrying out the reforms. Kunming added (Mar. 4) that in Hohsi Hsien land reform cadres had been charged with laxity, but after an indoctrination meeting the cadres "were able to overcome their rightist thinking," and organized the masses to liquidate landlords and counterrevolutionaries.

KOREAN WAR PROBLEMS

Corrupt Contractors. The attack on contractors who delivered faulty goods and equipment to the Chinese Volunteers continued, the broadcasts coming from all sections of China. Dairen announced (Mar. 7) that wounded veterans in a local hospital had issued a statement attacking corrupt merchants who cheated on contracts. Chinchow reported (Mar. 4) that Wang Tzu-chung, Chinchow garage owner, defrauded the Government of 200 million yuan in repairing trucks for the Korean front; stole

parts from the trucks and replaced them with worn parts; and connived with Han Chi-wen, chairman of the Truckers Association, who embezzled Resist-America, Aid-Korea donations. Chinchow added (Mar. 5) that the Tehsin Metal Works used old materials in making car parts for the Chinese Volunteers; the Talu Metal Works used defective materials in work on the Chinchow Railway; and the Chunghsin Metal Works used defective materials in constructing the Talingho Bridge, which collapsed with the first flood. The Hsinhua Bakery, Chichfang Street, Chu No. 5, increased the weight of biscuits made for the Chinese Volunteers by packing them wet. When they were returned the bakery merely scraped off the mould and repacked them in new boxes.

Shanghai announced (Mar. 3) that Wu Ting-chang and Tung Han-chang, Wuhsi drug merchants, were arrested for defrauding the Government of 200 million yuan and for selling false drugs to the Chinese Volunteers. Shanghai added (Mar. 6) that organisations in Wuhu were demanding punishment for Chin Hui-chuan, who furnished the Meiling Canning Company of Shanghai with rotten beef for use in filling Army food contracts. Nantung announced (Mar. 9) that Jen Tao-kang and Chu Yu-shan, local merchants, had been arrested for defrauding the Government in processing 400 quilts for the Army Hospital.

Nanchang asserted (Mar. 6) that people of all circles were demanding punishment for corrupt contractors who supplied the Chinese Volunteers with faulty goods, including Chang Hsing-keng of Shanghai, who sent rotten beef to feed the soldiers. Wuhan announced (Mar. 3) that workers in the Chunghua Textile Company had sent a letter to wounded veterans attacking merchants who cheated on contracts, and promising to increase production at home to back up the Korean front. Wuhan added (Mar. 4) that "by popular demand" 17 corrupt merchants in Canton had been arrested, including Shen I-chao, who "exported goods to the American imperialists for use in Korea"; Tung Cheng-chi, who sold fake drugs; Chin Chun-hua, who defrauded the Canton Railway Bureau; and Chao Yu-tuan, who defrauded the Government on contracts.

Canton reported (Mar. 5) that workers in the local Textile Mill No. 2 had issued a statement attacking the Huanan Drug Company for selling false drugs to the Chinese Volunteers, and promised to increase production at home. Sian stated (Mar. 3) that dependents of service men in Sining issued a protest against corrupt merchants who sent rotten beef to the Chinese Volunteers. Chungking announced (Mar. 3) that Ku Yu-chai, Ipin grain merchant, Szechwan, had been arrested for stealing grain which he was processing, and for adulterating grain destined for the Chinese Volunteers.

Preferential Treatment. Dairen announced (Mar. 4) that more than 120 service men's dependents had been given jobs. Yangchow reported (Mar. 3) that peasants in Hsien Hsien, Kiangsu, were carrying out the preferential treatment program by aiding families of service men with spring farm work. Yangchow said (Mar. 4) that students in Tai Hsien, Kiangsu, had been carrying out the preferential treatment work with great success. Yangchow added (Mar. 3) that in Kao'u Hsien the preferential treatment program was being carried out, with concentration on assistance in spring farming. Nantung reported (Mar. 5) that rural cadres in Tai Hsien, Kiangsu held a meeting to review the preferential treatment program for 1951 and make plans for 1952. In 1951 20,000 mou of land was plowed for dependents of servicemen, and it was decided that great emphasis would be placed on this phase of the program in the spring of 1952.

Bacteriological Warfare. Regional broadcasting stations in Communist China still devoted nearly 10 percent of their broadcast items to charges that the U.N. fighters had used bacteriological warfare in Korea. These broadcasts consisted, for the most part, of statements that certain groups had issued protests against the use of bacteriological warfare, and demands that steps be taken to meet the challenge. Sian announced (Mar. 4) that the Sian Medical Workers Association had issued a call for medical personnel to volunteer their services to fight bacteriological warfare at the Korean front. Taiyuan announced (Mar. 6), quoting the SHANSI JIH PAO, that the first antibacteriological warfare medical unit had left for service at the Korean front.

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WOMEN'S ACTIVITIES

Women's meetings were held throughout China Mar. 8 in celebration of the Communist International Women's Day, while radio stations all gave time to the occasion. Prior to Mar. 8 frequent mention was made of the coming celebration. In broadcasts prior to the meetings, as well as in broadcasts Mar. 8, the tendency was to tie in women's activities with current Communist problems, especially the anticorruption drive. Chinchow reported (Mar. 9) that 1,400 persons attended the public trial of Liu Yu-cheng Mar. 7, when he was sentenced to 5 years in prison after eight women accused him "of violating women's rights." Dairen said (Mar. 6) that a meeting of business men's wives was held, when they were urged to expose their corrupt husbands and prevail upon them to confess. Dairen added (Mar. 8) that after hearing speeches by returned veterans of the Korean war, local women increased their activity in the anticorruption drive. Yu Wei-fang, model woman worker, accused two corrupt merchants; Li Wei-chu exposed her husband, who embezzled 30 million yuan while working in the Railway Bureau; and Yeh Yung-fang, bookstore clerk, exposed her employer. Tsinan announced (Mar. 9) that women in Tsingtao had made 120 accusations against corrupt merchants.

Hangchow stated (Mar. 7) that a woman member of the Youth Corps in the Chekiang Oil Company, Tung Wen-ya, delayed her marriage in order to expose corrupt elements; woman cadre Chang Wen-yuen led the attack upon corrupt elements in the Chekiang Oil Company; Chiang Wen-lung, Agriculture Department trainee, exposed Chen I-ken and Lu Shou-jen; and Wang Han-ken, who stole 100 million yuan from the Conservancy Bureau, was exposed by his mother. "These examples demonstrate the importance of women in the antiwaste, anticorruption, antibureaucracy drive." Other examples were those of Weng Wen-chien, Tao Hai-ya, and Hsiu Chung-mei of the Kuangseng Mills, who accused factory and union officials, and Mao I-pen, who accused members of her own family of evading taxes. "However, women have been backward in making accusations; they must help build New China by being more active."

Wuhan said (Mar. 6) that the Wuhan Committee of the Women's Democratic League called a recent rally to urge women to take an active part in exposing corrupt merchants and their own husbands. Wives in Chu No. 2 organized teams to urge husbands to confess, and "under the influence of his wife" cadre Ho Lan-chu confessed everything and was pardoned. Canton announced (Mar. 8) that the new marriage law exhibit held in connection with International Women's Day "attracted huge crowds."

Sian reported (Mar. 5) that more than 300 Sian women had organized teams to call on corrupt husbands and urge them to confess, and as a result "gained much information" on corruption. Women in Yinchuan and Chiu-chuan exposed corrupt elements. Sian added (Mar. 8) that women in the Northwest had reported 130 cases of corruption, and had influenced members of their families to make 700 confessions. Kunming stated (Mar. 8) that Kunming women workers had reported 140 cases of corruption among merchants. Wang Wei-cheng, sales clerk, reported the manager of her shop, who had in his possession 1,000 ounces of opium and 400 ounces of gold; 70 percent of the 22 women clerks in the Kunming branch, People's Bank, are members of tiger-hunting teams; and Liu Hao-ying left her two children alone at home so she could work with tiger-hunting teams.

MISCELLANEOUS

Counterrevolutionaries. Hangchow reported (Mar. 5) that Shao Ma-hsin and Shao Ma-hsin and Shao Kuan-hsin, counterrevolutionaries in Chinglung Hsiang, Hsiaoshan Hsien, Chekiang, had been sentenced to death for killing cadre Shao Chin-kang in 1949. Wuhan asserted (Mar. 3) that the drive "against gangsters" in Wuhan Chu No. 5 had made great headway after cadres "had indoctrinated the masses in the dangers of reactionary groups." Wuhan added (Mar. 7) that in 54 hsiang near Wuhan local despots and bandits had been successfully eliminated, with many "active cadres" emerging from the campaign and all members of reactionary organizations forced to register.

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National Minorities. Wuhan reported (Mar. 8) that Kwangsi Province had allocated 80.9 billion yuan to promote production among minority groups. The Nationality Affairs Committee met in February and organized local production committees to carry out the program. Sian said (Mar. 9) that in the Tibetan Autonomous Region of Tsinghai the people celebrated the Spring Festival in accordance with their own customs.

Epidemic Dangers. Dairen stated (Mar. 3) that local medical teams had been organized to handle outbreaks of measles, typhoid and diphtheria. Nanchang said (Mar. 9) that 31 cadres were being trained in the Pingguan Chu Health Center, Kuangfeng Hsien, Kiangsi, to carry out the Government program of eradicating smallpox in 3 years.

Aviation Equipment. Kunming announced (Mar. 9) that the Kunming Military Control Committee had issued a directive calling for the registration of all civil aviation equipment, which would be subject to requisition by the Government upon demand.